

**Bossier Parish Police Jury  
Benton, Louisiana**

**Primary Government Financial Statements**

**As of and For the Year Ended December 31, 2010  
With Supplemental Information Schedules**

Bossier Parish Police Jury  
Benton, Louisiana

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## Independent Auditors' Report

Bossier Parish Police Jury  
Benton, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bossier Parish Police Jury, as of and for the year ended December 31, 2010, which collectively comprise the basic financial statements of the parish's primary government as listed in the table of contents. These financial statements are the responsibility of the Bossier Parish Police Jury's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements do not include financial data for the Bossier Parish Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the primary government unless the Bossier Parish Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Bossier Parish Police Jury has not issued such reporting entity financial statements. This represents a departure from accounting principles generally accepted in the United States of America. The assets, liabilities, net assets, revenues, and expenses of the aggregate discretely presented component units are indeterminable.

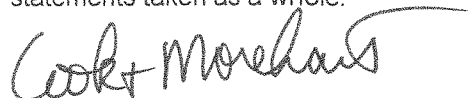
In our opinion, because of the omission of the discretely presented component units, as discussed previously, the financial statements referred to previously do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the aggregate discretely presented component units of the Bossier Parish Police Jury as of December 31, 2010, or the changes in financial position thereof for the year then ended.

Further, in our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Bossier Parish Police Jury, as of December 31, 2010, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 7, 2011, on our consideration of the Bossier Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 – 10, budgetary comparison information on pages 43 – 47, and schedule of funding progress for retiree health, dental, and life plans on page 48 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bossier Parish Police Jury's basic financial statements. The accompanying supplemental information schedules listed in the table of contents and shown on pages 49 – 58, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, shown on page 59, is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The accompanying supplemental information schedules and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Cook & Morehart  
Certified Public Accountants  
July 7, 2011

## BOSSIER PARISH POLICE JURY

### MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Bossier Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the fiscal year ended December 31, 2010. Please read it in conjunction with our financial statements, which begin on page 11.

### FINANCIAL HIGHLIGHTS

- The assets of the Police Jury exceeded its liabilities at the close of 2010 by \$242,908,385. Of this amount, \$3,281,213 (unrestricted net assets) may be used to meet the ongoing obligations to citizens and creditors in accordance with the Police Jury's fund designation and fiscal policies.
- The Police Jury's net assets increased by \$29,264,821 or 13%.
- The Police Jury's total general and program revenues were \$73,116,092 in 2010 compared to \$60,628,287 in 2009.
- During the year ended December 31, 2010, the Police Jury had total expenses, excluding depreciation, of \$36,785,123, compared to \$31,811,943 for 2009.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 11-12) provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Fund financial statements start on page 13. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Police Jury's operations in more detail than the government-wide statements by providing information about the Police Jury's most significant funds.

#### Reporting the Police Jury as a Whole

Our analysis of the Police Jury as a whole begins on page 11. One of the most important questions asked about the Police Jury's finances is "Is the Police Jury as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the funds maintained by the Police Jury as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Police Jury's *net assets* and changes in them. You can think of the Police Jury's net assets – the difference between assets and liabilities – as one way to measure the Police Jury's financial health, or *financial position*. Over time, *increases* or *decreases* in the Police Jury's net assets are one indicator of whether its *financial health* is

improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Police Jury's property tax base, to assess the overall health of the Police Jury.

In the Statement of Net Assets and the Statement of Activities, we record the funds maintained by the Police Jury as governmental activities:

Governmental activities – all of the expenses paid from the funds maintained by the Police Jury are reported here, consisting primarily of personal services, materials and supplies, travel, repairs and maintenance and other program services. Ad valorem taxes and sales taxes finance most of these activities.

### **Reporting the Police Jury's Most Significant Funds**

Our analysis of the major funds maintained by the Police Jury begins on page 13. The fund financial statements begin on page 13 and provide detailed information about the most significant funds maintained by the Police Jury – not the Police Jury as a whole. The Police Jury's *governmental funds* use the following accounting approaches:

Governmental funds – All of the Police Jury's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the *modified accrual* accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Police Jury's general government operations and the expenses paid from those funds. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Police Jury expenses. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* in a reconciliation at the bottom of the fund financial statements.

### **THE POLICE JURY AS A WHOLE**

The Police Jury's total net assets changed from a year ago, increasing from \$213,643,564 to \$242,908,385. A comparative analysis of the funds maintained by the Police Jury is presented below.

**Table 1**  
**Net Assets**

	Governmental Activities 2009	Governmental Activities 2010
Current and other assets	\$ 58,402,379	76,472,751
Capital assets	<u>209,969,771</u>	<u>234,908,957</u>
Total assets	<u>268,372,150</u>	<u>311,381,708</u>
Current liabilities	3,451,368	3,021,881
Long-term liabilities	<u>51,277,218</u>	<u>65,451,442</u>
Total liabilities	<u>54,728,586</u>	<u>68,473,323</u>
Net assets:		
Investments in capital assets, net of related debt	168,683,417	189,937,136
Restricted	41,866,843	49,690,036
Unrestricted	<u>3,093,304</u>	<u>3,281,213</u>
Total net assets	<u>\$ 213,643,564</u>	<u>\$ 242,908,385</u>

Net assets of the Police Jury's governmental activities increased by \$29,264,821 or 13%. Unrestricted net assets, the part of net assets that can be used to finance Police Jury expenses without constraints or other legal requirements, increased from \$3,093,304 at December 31, 2009 to \$3,281,213 at December 31, 2010.



**Table 2**  
**Change in Net Assets**

	Governmental Activities 2009	Governmental Activities 2010
Program revenues		
Charges for services	\$ 2,180,809	\$ 2,388,809
Operating grants & contributions	17,555,191	26,596,655
Capital grants & contributions	534,086	980,671
General revenues		
Ad valorem taxes	11,529,601	12,427,642
Sales taxes	19,394,646	21,651,826
Other taxes	1,054,304	1,209,912
Franchise taxes	266,180	274,330
Investment earnings	57,513	30,142
Gaming tax revenues	4,448,698	4,445,462
State revenue sharing	523,633	521,596
Gain on sale of land	425,068	293,946
Miscellaneous revenues	<u>2,658,558</u>	<u>2,295,101</u>
Total revenues	<u>60,628,287</u>	<u>73,116,092</u>
Expenses		
General government	8,123,970	8,432,996
Public safety	5,405,429	6,344,972
Public works	13,682,649	14,893,666
Health and welfare	3,439,064	3,890,387
Culture and recreation	4,454,942	4,815,427
Economic development	287,437	3,275,846
Interest on long-term debt	<u>2,323,450</u>	<u>2,197,977</u>
Total expenses	<u>\$37,716,941</u>	<u>\$43,851,271</u>
Increases in net assets	<u>\$ 22,911,346</u>	<u>\$ 29,264,821</u>

Total revenues increased \$12,487,805, or 20%, from total revenues in the year ended December 31, 2009 of \$60,628,287 to total revenues of \$73,116,092 in the year ended December 31, 2010, due in part to an increase of ad valorem tax and sales tax, as well as an increase in operating grants and contributions.

### THE POLICE JURY'S FUNDS

As the Police Jury completed the year, its governmental funds (as presented in the balance sheet on page 13) reported a *combined* fund balance of \$68,721,812, which is higher than last year's fund balance of \$52,908,103. The primary reason for the increase in fund balance is increased revenues from sales tax and ad valorem taxes.

## General Fund Budgetary Highlights

The Police Jury adopted a budget for its General Fund for the year ended December 31, 2010, and amended the budget one time during the year. The budgetary comparison is presented as required supplementary information and shown on page 43. Highlights for the year are as follows:

- General fund expenditures were in line with the amended budget.
- The public safety expenditure budget was increased for the transfer of emergency medical services sales tax to the EMS district.

The Police Jury's General Fund balance of \$3,082,726 reported on page 13 differs from the General Fund's *budgetary* fund balance of \$1,435,911, reported in the budgetary comparison schedule on page 43. This is primarily due to the Police Jury budgeting on the cash basis of accounting.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At the end of December 31, 2010, the Police Jury had invested \$234,908,957 in capital assets. (see table 3 below)

**Table 3**  
**Capital Assets At Year End**  
**(Net of Depreciation)**

	Governmental Activities 2009	Governmental Activities 2010
Land	\$ 8,016,882	\$ 8,193,152
Construction in progress	24,916,170	4,440,443
Buildings	63,785,541	90,492,612
Infrastructure	109,498,533	126,484,138
Equipment, furnishings, vehicles	2,891,985	4,390,688
Library books & materials	860,660	907,924
Total	<u>\$ 209,969,771</u>	<u>\$ 234,908,957</u>

This year's major additions included:

Infrastructure:	
Road improvements	\$ 4,470,200
New subdivisions	13,764,596
Roads and rights-of-way	266,235
Buildings	8,317,495
Equipment	2,107,307
Construction in progress	2,832,134
Books	353,396

## Debt

Outstanding debt of the Police Jury includes: \$1,910,000 issued in 2005 for acquiring, construction, improving and equipping the public library facilities and system, \$5,000,000 issued in 2010 for acquiring sewer systems to create a sewer district, \$24,830,000 issued in 2010 for refunding of the courthouse addition/renovation and jail construction projects, \$6,310,000 issued in 2010 for refunding of the courthouse addition/renovation and jail construction projects, \$8,162,000 issued in 2010 for public improvement projects in the parish of Bossier and \$15,575,000 issued in 2007 for public projects in the parish of Bossier.

**TABLE 4**  
**Outstanding Debt at Year End**

	Governmental Activities <u>2009</u>	Governmental Activities <u>2010</u>
Certificates of Indebtedness, Series 2002 (Capital Improvements Fund)	\$ 30,700,000	-
Certificates of indebtedness, Series 2005 (backed by ad valorem tax revenue in the Library Fund)	\$ 2,245,000	\$ 1,910,000
Revenue bonds, Series 2010 (backed by sales tax revenue in Capital Improvements Fund)	-	\$ 5,000,000
Revenue bonds, Series 2010A (backed by sales tax revenue in Capital Improvements Fund)	-	\$ 24,830,000

Revenue bonds, Series 2010B (backed by sales tax revenue in Capital Improvements Fund)	-	\$ 6,310,000
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Revenue bonds, Series 2010 Build America Bond (backed by sales tax revenue in Capital Improvements Fund)	-	\$ 8,162,000
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Revenue bonds, Series 2007 (LCDA Improvements)	\$16,200,000	\$15,575,000
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State law restricts the amount of debt that the Police Jury may issue. The aggregate principal amount of debt may not exceed 10% of the assessed valuation for property tax purposes of all real and personal property located within the parish. The Police Jury's total debt outstanding at year end was well below this limitation.

Other obligations include accrued vacation pay, special assessment debt relating to paving of Valerie Lane in Bossier Parish, and other post employment obligations. More detailed information about the debt is presented in Note 10 to the financial statements.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The Police Jury's management considered many factors when setting a fiscal year December 31, 2010 budget. Amounts available for appropriation in the governmental funds are expected to increase due to an increase in sales tax and gaming tax revenues. Ad valorem taxes will increase due to continued residential and commercial development.

The police jury expects to receive approximately \$2,490,000 in capital outlay from the State of Louisiana to establish a sewer district in the parish. It is the intent of the police jury to obtain a loan from the State of Louisiana Department of Environmental Quality for approximately \$17,750,000 for the sewer district project. The police jury obtained a loan from the Jonesboro State Bank in the amount of \$5,000,000 for the sewer district project. The police jury has signed a contract in relation to this project for approximately \$2,741,500 for engineering services. Of this amount, approximately \$1,759,300 is still outstanding.

In 2010 the police jury purchased approximately a 15 acre tract of land in the amount of \$1,052,729 with the intent to construct a new juvenile detention facility.

## **CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the police jury and to show the police jury's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Bossier Parish Police Jury, P. O. Box 70, Benton, Louisiana 71006.

Bossier Parish Police Jury  
Benton, Louisiana  
Statement of Net Assets  
December 31, 2010

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 9,723,179
Investments	32,775,521
Restricted cash	8,211,969
Restricted investments	5,898,115
Receivables	15,843,187
Prepaid expenses	834,421
Deferred bond issuance costs	3,186,359
Capital assets, net	<u>234,908,957</u>
Total assets	<u>311,381,708</u>
Liabilities	
Accounts payable and accrued expenses	3,021,881
Deferred revenue	
Long-term liabilities:	
Due within one year	3,289,096
Due in more than one year	<u>62,162,346</u>
Total liabilities	<u>68,473,323</u>
Net Assets	
Invested in capital assets, net of related debt	189,937,136
Restricted for:	
Debt Service	1,707,227
Capital Projects	7,693,256
Public Works	22,079,699
Public Safety	3,069,064
Economic Development	956,924
Culture and recreation	11,524,302
Other purposes	2,659,564
Unrestricted	<u>3,281,213</u>
Total net assets	<u>\$ 242,908,385</u>

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury  
Benton, Louisiana  
Statement of Activities  
For the Year Ended December 31, 2010

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Functions / Programs:	Expenses				
Governmental Activities					
General government:					
Zoning and planning	\$ 66,838	\$	\$	\$	\$ (66,838)
Legislative	466,307				(466,307)
Judicial	2,038,201	1,403,857			(634,344)
Elections	191,801				(191,801)
Finance and administrative	2,592,466	20,700			(2,571,766)
Other	3,077,383	280,260	350		(2,796,773)
Public safety	6,344,972	244,491			(6,100,481)
Public works	14,893,666	370,906	22,771,879	980,671	9,229,790
Health and welfare	3,890,387		3,810,770		(79,617)
Culture and recreation	4,815,427	68,595	13,656		(4,733,176)
Economic development	3,275,846				(3,275,846)
Interest on long-term debt	2,197,977				(2,197,977)
Total governmental activities	43,851,271	2,388,809	26,596,655	980,671	(13,885,136)
General revenues:					
					12,427,642
					21,651,826
					4,445,462
					274,330
					1,209,912
					30,142
					521,596
					293,946
					2,295,101
					43,149,957
Total general revenues					
Change in net assets					29,264,821
Net assets - beginning					213,643,564
Net assets - ending					\$ 242,908,385

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury  
Benton, Louisiana  
Balance Sheet  
Governmental Funds  
December 31, 2010

	General	Highway	Library	Capital Improvements	BABS LCDA	Correctional Facilities	Industrial Park	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>									
Cash and cash equivalents	\$ 112,232	\$ 5,443,053	\$ 186,466	\$ 1,209,790	\$ -	\$ 417,749	\$ 108,110	\$ 2,245,779	\$ 9,723,179
Investments	1,099,963	14,924,567	6,244,816	2,499,918		1,249,967	1,584,960	5,171,330	32,775,521
Receivables	2,351,191	3,376,248	6,181,100	1,066,483		1,894,681		973,484	15,843,187
Restricted cash					8,071,297			140,672	8,211,969
Restricted investments								5,898,115	5,898,115
Due from other fund	72,791	37,183						6,373	116,347
<b>Total assets</b>	<b>\$ 3,636,177</b>	<b>\$ 23,781,051</b>	<b>\$ 12,612,382</b>	<b>\$ 4,776,191</b>	<b>\$ 8,071,297</b>	<b>\$ 3,562,397</b>	<b>\$ 1,693,070</b>	<b>\$ 14,435,753</b>	<b>\$ 72,568,318</b>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities:</b>									
Accounts payable	\$ 376,354	\$ 639,558	\$ 311,739	\$ 79,480	\$ -	\$ 509,077	\$ 739,922	\$ 254,550	\$ 2,910,680
Due to other fund		63,760		11,300				41,287	116,347
Deferred revenue	177,097	161,901	343,750			75,381		61,350	819,479
<b>Total liabilities</b>	<b>553,451</b>	<b>865,219</b>	<b>655,489</b>	<b>90,780</b>		<b>584,458</b>	<b>739,922</b>	<b>357,187</b>	<b>3,846,506</b>
<b>Fund balances:</b>									
Reserved				4,685,411					4,685,411
Capital projects					8,071,297			1,818,428	9,889,725
Debt service						2,977,939	953,148		41,886,538
Unreserved	3,082,726	22,915,832	11,956,893						
Unreserved, reported in nonmajor:									
Special revenue funds								3,093,598	3,093,598
Capital projects funds								9,166,540	9,166,540
<b>Total fund balances</b>	<b>3,082,726</b>	<b>22,915,832</b>	<b>11,956,893</b>	<b>4,685,411</b>	<b>8,071,297</b>	<b>2,977,939</b>	<b>953,148</b>	<b>14,078,566</b>	<b>68,721,812</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,636,177</b>	<b>\$ 23,781,051</b>	<b>\$ 12,612,382</b>	<b>\$ 4,776,191</b>	<b>\$ 8,071,297</b>	<b>\$ 3,562,397</b>	<b>\$ 1,693,070</b>	<b>\$ 14,435,753</b>	<b>\$ 72,568,318</b>

The accompanying notes are an integral part of this statement.



Bossier Parish Police Jury  
Benton, Louisiana  
Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Assets  
December 31, 2010

Fund balances - total governmental funds	\$ 68,721,812
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	234,908,957
Deferred bond issuance costs are capitalized and amortized over the life of the bond issue for the government-wide statements, but are reported as expenditures in the governmental funds.	
Debt issuance costs	468,377
Payment to refunded bond escrow agent	2,717,982
Long-term liabilities, including bonds payable, accrued interest payable, and other post-employment benefit payable are not due and payable in the current period and therefore are not reported in the funds.	(65,562,643)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	819,479
The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.	<u>834,421</u>
Net assets of governmental activities	<u><u>\$ 242,908,385</u></u>

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury  
Benton, Louisiana  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2010

	General	Highway	Library	Capital Improvements	BABS LCDA	Correctional Facilities	Industrial Park	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>									
Ad valorem taxes	\$ 1,735,520	\$ 1,752,926	\$ 6,588,076	\$ -		\$ 2,043,722	\$	\$ 722,222	\$ 12,842,466
Sales tax	1,985,345	10,455,321		9,211,160					21,651,826
Licenses and permits	568,080	230,145							798,225
Intergovernmental revenues	1,527,864	3,465,497	170,323			27,488		5,081,856	10,273,028
Fees, charges, and commissions for services	83,975		31,519			76,372		3,126,241	3,318,107
Fines and forfeitures		250,032	37,076				851	1,126,559	1,413,667
Investment earnings	6,465	9,112	4,680	305		1,277		7,452	30,142
Miscellaneous	266,496	460,866	13,956	50,000		4,072	13,250	410,311	1,218,951
<b>Total revenues</b>	<b>6,173,745</b>	<b>16,623,899</b>	<b>6,845,630</b>	<b>9,261,465</b>		<b>2,152,931</b>	<b>14,101</b>	<b>10,474,641</b>	<b>51,546,412</b>
<b>Expenditures:</b>									
<b>Current:</b>									
General government:									
Zoning and planning								66,838	66,838
Legislative	327,571							327,571	327,571
Judicial	556,269							1,302,882	1,859,151
Elections	153,982							153,982	153,982
Finance and administrative	1,922,094							569,726	2,491,820
Other	201,504	140,476	203,369	1,938,448		63,077		1,455,015	2,546,874
Public safety	2,244,973					2,580,400		6,280,388	6,280,388
Public works								193,883	8,921,293
Health and welfare	150,772	8,585,013		142,397				3,819,680	3,930,824
Culture and recreation	74,106			66,244				289,359	2,626,910
Economic development	146,075		3,567,359	1,278,602			19,775	1,182,458	10,007,884
Capital outlay	54,576	5,901,788	368,396	312,363			720,421	2,650,340	
Debt service:									
Principal retirement								2,616,443	2,616,443
Interest and other charges					90,703			2,886,471	2,886,471
Bond issuance costs					90,703			418,258	508,961
<b>Total expenditures</b>	<b>5,831,922</b>	<b>14,627,277</b>	<b>4,139,124</b>	<b>3,738,054</b>	<b>90,703</b>	<b>2,643,477</b>	<b>740,196</b>	<b>17,234,337</b>	<b>49,045,090</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>341,823</b>	<b>1,996,622</b>	<b>2,706,506</b>	<b>5,523,411</b>	<b>(90,703)</b>	<b>(490,546)</b>	<b>(726,095)</b>	<b>(6,759,696)</b>	<b>2,501,322</b>
<b>Other financing sources (uses):</b>									
Sale of capital items								5,000,000	400,000
Proceeds from sale of bonds					8,162,000			31,140,000	13,162,000
Proceeds of refunding bonds								(31,389,613)	(31,389,613)
Payment to refunded bond escrow agent						1,000,000		8,290,589	17,316,990
Transfers in	108,050	6,214,334		1,704,017				(11,594,990)	(17,316,990)
Transfers out	(290,000)	(175,000)	(405,000)	(4,852,000)					
<b>Total other financing sources (uses)</b>	<b>(181,950)</b>	<b>6,039,334</b>	<b>(405,000)</b>	<b>(3,147,983)</b>	<b>8,162,000</b>	<b>1,000,000</b>	<b>400,000</b>	<b>1,445,986</b>	<b>13,312,387</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>159,873</b>	<b>8,035,956</b>	<b>2,301,506</b>	<b>2,375,428</b>	<b>8,071,297</b>	<b>509,454</b>	<b>(326,095)</b>	<b>(5,313,710)</b>	<b>15,813,709</b>
<b>Fund balances at beginning of year</b>	<b>2,922,853</b>	<b>14,879,876</b>	<b>9,655,387</b>	<b>2,309,983</b>		<b>2,468,485</b>	<b>1,279,243</b>	<b>19,392,276</b>	<b>52,908,103</b>
<b>Fund balances at end of year</b>	<b>\$ 3,082,726</b>	<b>\$ 22,915,832</b>	<b>\$ 11,956,893</b>	<b>\$ 4,685,411</b>	<b>\$ 8,071,297</b>	<b>\$ 2,977,939</b>	<b>\$ 953,148</b>	<b>\$ 14,078,566</b>	<b>\$ 68,721,812</b>

The accompanying notes are an integral part of this statement.

Bossier Parish Policy Jury  
Benton, Louisiana  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2010

Net change in fund balances - total governmental funds \$ 15,813,709

Amounts reported for governmental activities in the statement of activities  
are different because:

Governmental funds report capital outlays as expenditures. However,  
in the statement of activities, the cost of those assets is allocated over  
their estimated useful lives and reported as depreciation expense.  
This is the amount by which capital outlays (\$10,007,884) exceeded  
depreciation (\$7,066,148) in the current period. 2,941,736

The net effect of various transactions involving capital assets (sales,  
trade-ins, donated infrastructure, etc.) is to increase net assets. 21,997,452

Bond issuance costs are capitalized and amortized over the life of the  
bond issue for the government-wide statements, but are reported as  
expenditures in the governmental funds. 108,472  
Bond issuance costs 2,717,982  
Costs paid to refunded bond escrow agent

The repayment of principal of long-term debt consumes current  
financial resources of governmental funds. 2,616,443

The payment to refunded bond escrow agent consumes  
current financial resources of governmental funds. 29,050,000

The nonallocation method of accounting for prepayments is used in the  
fund statements, since the prepayment does not provide expendable  
financial resources. 7,425

Revenues in the statement of activities that do not provide current financial  
resources are not reported as revenues in the funds. (858,341)

Some expenses reported in the statement of activities do not require  
the use of current financial resources and therefore are not reported as  
expenditures in the funds. (93,990)

Accrued interest expense on long-term debt is reported in the government-  
wide statement of activities and changes in net assets, but does not require  
the use of current financial resources; therefore, accrued interest expense  
is not reported as expenditures in governmental funds. 710,614

Debt proceeds provide current financial resources to governmental funds,  
but issuing debt increases long-term liabilities in the statement of net assets.  
Bonds payable (44,302,000)  
Net OPEB obligation (1,444,681)

Change in net assets of governmental activities \$ 29,264,821

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010

## INTRODUCTION

The Bossier Parish Police Jury is the governing authority for Bossier Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 12 jurors representing the various districts within the parish. The jurors serve four-year terms that expire in December 2012.

Louisiana Revised Statute (R.S.) 33:1236 gives the police jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales tax, beer and alcoholic beverage permits, state revenue sharing, gaming tax revenues, and various other state and federal grants.

### (1) Summary of Significant Accounting Policies

The Bossier Parish Police Jury's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999. The more significant accounting policies established in GAAP and used by the Bossier Parish Police Jury are discussed below.

#### A. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Bossier Parish Police Jury is the financial reporting entity for Bossier Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with police jury are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Bossier Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

**Blended Component Unit** – Component units that are legally separate from the police jury, but are so intertwined with the police jury that they are, in substance, the same as the police jury are blended component units. For a component unit to be blended, the organization's board and the police jury must be substantively the same, or the organization must provide services entirely or almost entirely to the police jury. The following component unit is reported as part of the police jury and *blended* with the appropriate police jury funds:

**Bossier Parish Library.** Bossier Parish Library does not possess all the corporate powers necessary to make them a legally separate entity and the police jury holds the Library's corporate powers. Therefore, we conclude that they are part of the police jury and their financial statements should be blended with those of the police jury.

**Consolidated Waterworks / Sewerage District No. 1.** The board of the Consolidated Waterworks / Sewerage District No. 1 is substantially the same as the police jury and policy jury can impose its will on the District by significantly influencing the activities of the District. Therefore, we conclude that they are part of the police jury and their financial statements should be blended with those of the police jury.

**Discrete Component Units** – Component units that are legally separate from the police jury, but are financially accountable to the police jury, or whose relationship with the police jury are such that exclusion would cause the police jury's financial statements to be misleading or incomplete are discretely presented. The police jury has identified the following discrete component units:

**Bossier Parish Sheriff's Office, Bossier Parish Clerk of Court, Bossier Parish Tax Assessor, and the District Attorney for the Twenty-Sixth Judicial District.** Even though these are independently elected officials and are legally separate from the police jury, they are fiscally dependent on the police jury. The officials are fiscally dependent because the police jury has approval authority over the officials' capital budget. The police jury has approval authority over the officials' capital budget because the office space for the officials is furnished by the police jury, major capital purchases for the officials are included in the police jury's overall budget, and title to real property is in the name of the police jury. By using the fiscal dependency criterion, we conclude that these organizations are component units of the police jury.

**Bossier Parish Communications District Number One.** This entity was created by the police jury. The Communications District is governed by a Board of Commissioners which are appointed by the police jury. The police jury is financially accountable for the communication district because it appoints a voting majority of the governing board and has the ability to impose its will on them.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

**Other Special Districts**

There are a number of special districts located in Bossier Parish (fire and ambulance) that each provide services to a limited number of parish citizens. The police jury appoints all board members of those districts which do not include a municipality within their boundaries. Therefore, the police jury can impose its will on these districts. While these districts are responsible for obtaining voter approval for the levy of taxes or debt issuance, all related Louisiana State Bond Commission approvals must be obtained through the police jury. The police jury appoints two of the five board members of those districts which include a municipality and therefore cannot impose its will on these entities. However, it would be misleading to include some like districts in the financial statements while excluding others. These agencies are:

East-Central Bossier Parish Fire Protection District No. 1  
South Bossier Parish Fire Protection District No. 2  
Ivan Fire Protection District No. 3  
Benton Fire Protection District No. 4  
Northeast Bossier Parish Fire Protection No. 5  
Bossier Parish Emergency Medical Services District  
Fire Protection District No. 7, Parish of Bossier

Complete financial statements of the individual component units may be obtained from their respective administration offices or from the Bossier Parish Police Jury at the Bossier Parish Courthouse in Benton, Louisiana.

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed discrete component units are included in the accompanying financial statements.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

**Other Related Organizations**

Considered in the determination of component units of the reporting entity were the following:

Cypress-Black Bayou Recreation and Water Conservation District and Shreveport-Bossier Convention and Tourist Bureau. The police jury appoints only one (1) board member and has no significant contact or influence to the recreation district and tourist bureau.

The police jury appoints two (2) of seven (7) board members of the Caddo-Bossier Port Commission but has no significant contact or influence within the Port Commission.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

The police jury appoints the board members of the Industrial Development Board of the Parish of Bossier, Inc., but does not have the ability to impose its will and no financial benefit/burden relationship exists between them.

It was determined that these governmental entities are not component units of the Bossier Parish Police Jury reporting entity because of the reasons listed above.

C. Basic Financial Statements – Government-Wide Statements

The Bossier Parish Police Jury's basic financial statements include both government-wide (reporting the funds maintained by the Bossier Parish Police Jury as a whole) and fund financial statements (reporting the Bossier Parish Police Jury's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. All of the Bossier Parish Police Jury's activities are categorized as governmental activities. The Bossier Parish Police Jury does not have any business-type activities.

In the government-wide Statement of Net Assets, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables, as well as long-term debt and obligations. The Bossier Parish Police Jury's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the Bossier Parish Police Jury's functions. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.).

This government-wide focus is more on the sustainability of the Bossier Parish Police Jury as an entity and the change in the Bossier Parish Police Jury's net assets resulting from the current year's activities.

D. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Bossier Parish Police Jury are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

The following fund types are used by the Bossier Parish Police Jury:

Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Bossier Parish Police Jury:

- a. General fund is the general operating fund of the Bossier Parish Police Jury. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- c. Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.
- d. Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The emphasis in fund financial statements is on the major funds in the governmental category. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of fund category) for the determination of major funds.

The following major funds are presented in the fund financial statements:

General Fund – accounts for all financial resources except those required to be accounted for in another fund.

Highway Fund – accounts for the maintenance of parish highways, streets, and bridges.

Library Fund – accounts for the operation and maintenance of the parish libraries.

Capital Improvements Fund – accounts for the sales taxes received for capital improvement purposes including a maximum security jail and courthouse facilities.

BABS LCDA – accounts for the proceeds of Build America Bonds and the use of such proceeds.

Correctional Facilities Fund - accounts for the operation and maintenance of correctional facilities in Bossier Parish, including the furnishing of transportation and medical care for prisoners. Financing is provided by ad valorem tax revenue.

Industrial Park Construction Fund - accounts for financial resources used to acquire and construct facilities at the industrial park.

(Continued)



Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

E. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

F. Budgets

The Policy Jury uses the following budget practices:

Proposed budgets for the ensuing year are prepared by the Treasurer during October of each year. During the month of November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal. The police jury holds a public hearing on the proposed budgets in order to receive comments from the public and other interested parties. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during a regular meeting or a special meeting held no later than 15 days prior to the beginning of the fiscal year, and notice is published in the official journal.

The police jury receives periodic budget comparison statements during the year that are used as a tool to control the operations of the parish. The Treasurer presents necessary budget amendments to the police jury during the year when, in their judgment, actual operations differ materially from those anticipated in the original budgets. During a regular or special meeting, the police jury reviews the proposed amendments, makes changes as it feels necessary, and formally adopts the amendments. The adoption of the amendments is included in the police jury minutes published in the official journal.

The police jury exercises budgetary control at the functional level. Within functions, the Treasurer has the authority to make amendments of up to 5%, as necessary. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

The availability of proposed budgets and the date of the public hearing for the 2010 budgets were published in the official journal on November 20, 2009. The 2010 budget hearings were held, and the budgets adopted at the jury meeting on December 2, 2009. Notice of adoption of the budgets was subsequently advertised in the official journal.

For the year ended December 31, 2010, the police jury adopted budgets on a cash basis for the general fund, all special revenue funds, all debt service funds, and all capital projects funds.

G. Cash, Cash Equivalents, and Investments

Cash includes amounts in petty cash, demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the police jury may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments are limited by R.S. 33:2955 and the police jury's investment policy. Investments are reported at fair value.

H. Restricted Cash and Investments

Restricted cash and investments represent amounts required by debt covenants to be segregated for capital projects.

I. Deferred Bond Issuance Cost

In the government-wide statements, issuance costs are deferred and amortized over the term of the bonds using the straight-line method, with approximate the effective interest method. Unamortized issuance costs are recorded as a separate line item on the Statement of Net Assets. Included in interest expense for the year ended December 31, 2010 was amortization of \$22,120.

For bond refundings resulting in the defeasance of debt reported in the government-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expenses.

J. Capital Assets

Capital assets, except for infrastructure, purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Infrastructure assets purchased or acquired with an original cost of \$200,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40–75 years
Infrastructure	10–50 years
Furniture	7–10 years
Equipment	5–30 years
Vehicles	5–25 years
Library books and information	5 years

K. Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. Sales tax revenues are recorded in the period in which the underlying exchange has occurred. Gaming tax revenues are recorded in the period during which the exchange transactions on which the tax is imposed occur. Fines, forfeitures, fees, and court costs are recognized in the period they are collected by the Bossier Parish Sheriff. Interest income on demand and time deposits is recorded when earned.

Federal and state grants are recorded when the police jury is entitled to the funds, except for certain federal grants which require funds not expended to be returned to the funding source. On those grants revenue is recognized only upon expending those funds. Grant funds received but not expended is reflected in the financial statements as deferred revenue.

L. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements.

M. Deferred Revenue

Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied. On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

N. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the police jury or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The police jury's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

O. Sales Taxes

During 1995 a special election was held in which a 1 ½% sales tax was passed in the Rural Sales Tax District of the Parish of Bossier, State of Louisiana. The sales tax is to be used for opening, operating, constructing and maintaining the public roads, bridges and drainage facilities.

During 1999, a special election was held in which a ¼% sales tax was passed in the Sales Tax District No. 1 of Bossier Parish, State of Louisiana. The sales tax is to be used for constructing, improving, acquiring, operating and maintaining facilities and equipment, ambulance service and otherwise paying the cost of ambulance service for the residents of Bossier Parish.

During 2000, a special election was held in which a ½% sales tax was passed in the Parish of Bossier, State of Louisiana. The sales tax is to be allocated 70% to the Bossier Parish Police Jury and 30% to the Law Enforcement District of the Parish of Bossier, represented by the Sheriff of Bossier Parish. The parish's share is to be used for capital improvement purposes including a maximum security jail and courthouse facilities. The 30% which is allocated to the Law Enforcement District of the Parish is sent directly to the Sheriff of Bossier Parish and is not reflected in the financial statements of the police jury.

P. Compensated Absences

Employees of the police jury earn from 5 to 15 days of vacation leave each year, depending on their lengths of service. In the event that available vacation is not used by the end of the benefit year, employees will be allowed to carry over all unused vacation time. Upon termination of employment, unused vacation benefits will be paid, up to a maximum of six (6) months. Accumulated vacation leave, or a portion thereof, may be converted to additional retirement benefit credit upon application for normal retirement, based on the rules and regulations determined by the retirement system to which they contribute.

Employees of the police jury will accrue sick leave benefits which are calculated on the basis of a "benefit year" at the rate of 12 days per year. Unused sick leave will be allowed to accumulate without limit. Unused sick leave benefits will not be paid to employees while they are employed or upon termination of employment.

Employees of the library earn from 6 to 24 days of vacation leave each year, depending on their professional status. Employees may carry no more than one-half of their normal yearly benefit forward to the next benefit year. Upon termination of employment, employees will be paid for unused vacation time that they are eligible for according to the police jury policy. Employees earn 12 days of sick leave each year that may be accumulated without limit. Accumulated sick leave is used in the employee's retirement benefit computation. Accumulated sick leave is forfeited upon termination of employment.

The current portion of compensated absences payable (the amount estimated to be used during the period of availability) is recorded as a liability in the fund financial statements. The entire balance of compensated absences payable is recognized as a liability in the government-wide financial statements. The non-current portion represents a reconciling item between the fund and government-wide statements.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

Q. Interfund Activity

Interfund activity is reported as either loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

R. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

S. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities in the statement of net assets. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

(2) New Accounting Standards

Effective January 1, 2010, the police jury implemented the following GASB statement: GASB Statement No. 51, "*Accounting and Financial Reporting for Intangible Assets*." This Statement establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies in reporting of these types of assets. The Statement requires that all intangible assets not specifically excluded by its scope and provision be classified as capital assets. There was no significant effect on the financial statements as a result of implementing this Statement.

The GASB has issued the following statement which will become effective for fiscal year beginning January 1, 2011: GASB Statement No. 54, "*Fund Balance Reporting and Government Fund Type Definitions*." The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The categories of fund balance presented in the police jury's financial statements will change as a result of implementing this Statement.

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Bossier Parish Police Jury  
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Notes to Financial Statements  
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(Continued)

(3) Levied Taxes

The following is a summary of authorized and levied ad valorem taxes for the primary government for the year ended December 31, 2010:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide taxes:			
General maintenance:			
Outside municipalities	4.00	2.63	Statutory
Within municipalities	2.00	1.31	Statutory
Road maintenance	1.99	1.99	2017
Library	8.31	7.48	2015
Health unit maintenance	.82	.82	2017
Correctional facilities	3.00	2.32	2011

The differences between authorized and levied millages are the result of the reassessment of taxable property required by Article 7, Section 23 of the Louisiana Constitution of 1974.

(4) Cash, Cash Equivalents, and Investments

At December 31, 2010, the police jury has cash, cash equivalents and investments (book balances), totaling \$56,608,784 as detailed below.

A. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2010 (book balances) totaled \$17,935,148, of which \$8,211,969 is shown as restricted. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

B. Investments

At December 31, 2010, the police jury had investments totaling \$38,673,636 consisting of U.S. Treasury Bills and Notes with maturity dates in January and February, 2011, of which \$5,898,115 is shown as restricted. The market value of this particular type of investment is not materially different from its carrying amount. The investments are in the name of the police jury and are held by the police jury's fiscal agent.

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Notes to Financial Statements  
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C. Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2010, \$5,174,898 of the Police Jury's bank balances totaling \$14,356,024 were exposed to custodial credit risk as follows:

Uninsured and collateral held by the pledging bank's  
trust department not in the Police Jury's name:

Cash and cash equivalents	\$ <u>5,174,898</u>
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Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

D. Restricted Cash and Investments

Restricted cash and investments at December 31, 2010, consists of amounts restricted for the acquisition, construction, or improvement of streets and roads, parks and recreational facilities, waterworks/sewerage facilities, and economic development facilities within the parish.

(5) Receivables

The following is a summary of receivables at December 31, 2010:

<u>Class of Receivable</u>	
Ad valorem taxes	\$ 11,844,230
Sales and use taxes	2,589,821
Intergovernmental	780,997
Fees, charges, and commissions for services	61,991
Fines and forfeitures	101,913
Gaming	306,897
Mineral leases	31,539
Other	<u>125,799</u>
Total – fund and government-wide statements	<u>\$ 15,843,187</u>

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Bossier Parish Police Jury  
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Notes to Financial Statements  
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(6) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2010, consisted of the following:

<u>Class of Payable</u>	
Salaries and benefits	\$ 142,659
Accounts	2,739,726
Compensated absences	<u>28,295</u>
Total – fund statements	<u>2,910,680</u>
Accrued interest	<u>111,201</u>
Total – government-wide statements	<u>\$ 3,021,881</u>

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Notes to Financial Statements  
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(7) Capital Assets

Capital asset activity for the year ended December 31, 2010, was as follows:

	Balance at Jan. 1, 2010	Transfers	Additions	Deletions	Balance at Dec. 31, 2010
<b>Governmental Activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 8,016,882		\$ 266,235	\$ (89,965)	\$ 8,193,152
Construction in progress	24,916,170	(23,307,861)	2,832,134		4,440,443
Total capital assets, not being depreciated	32,933,052	(23,307,861)	3,098,369	(89,965)	12,633,595
Capital assets, being depreciated:					
Buildings and improvements	77,493,988	20,835,723	8,317,495		106,647,206
Infrastructure	138,246,636	2,472,138	18,234,796		158,953,570
Furniture, equipment & vehicles	7,499,744		2,107,307	(325,453)	9,281,598
Library books and information material	2,994,091		353,396		3,347,487
Total capital assets, being depreciated	226,234,459	23,307,861	29,012,994	(325,453)	278,229,861
Less accumulated depreciation:					
Buildings and improvements	(13,708,447)		(2,446,147)		(16,154,594)
Infrastructure	(28,748,103)		(3,721,329)		(32,469,432)
Furniture, equipment & vehicles	(4,607,760)		(592,539)	309,389	(4,890,910)
Library books and information material	(2,133,430)		(306,133)		(2,439,563)
Total accumulated depreciation	(49,197,740)		(7,066,148)	309,389	(55,954,499)
Total capital assets, being depreciated, net	173,301,971		21,946,846	(16,064)	195,232,753
Governmental activities capital assets, net	\$209,969,771	\$	\$ 25,045,215	\$ (106,029)	\$234,908,957

Depreciation expense was charged to Governmental Activities as follows:

Judicial	4,285
Public safety	64,584
Public works	5,443,487
Health and welfare	16,509
Culture and recreation	512,150
Capital projects	134,834
Economic development	648,996
General government - other	241,303
	<u>\$ 7,066,148</u>

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(Continued)

(8) Interfund Balances

Interfund balances, on the fund statements, at December 31, 2010 consisted of the following:

Transfer To	Capital		Non-Major	Total
	Highway	Improvements	Governmental Funds	
General	\$ 63,760	\$ 9,031	\$	\$ 72,791
Highway			37,183	37,183
Non-Major Governmental Funds		2,269	4,104	6,373
Total	<u>\$ 63,760</u>	<u>\$ 11,300</u>	<u>\$ 41,287</u>	<u>\$ 116,347</u>

The interfund balances are the result of entries needed to correct posting of amounts between Valerie Lane Debt Service Fund and Highway Fund, and balances resulting from the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

(9) Interfund Transfers

Interfund transfers for the year ended December 31, 2010 consisted of the following:

Transfer To	Transfer From				Total
	General	Highway	Library	Capital Improvements	
General	\$	\$ 75,000	\$	\$	\$ 108,050
Highway					6,214,334
Capital Improvements					1,704,017
Corrections				1,000,000	1,000,000
Non-Major Governmental Funds	290,000	100,000	405,000	3,852,000	3,643,589
Total	<u>\$ 290,000</u>	<u>\$ 175,000</u>	<u>\$ 405,000</u>	<u>\$ 4,852,000</u>	<u>\$ 17,316,990</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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Notes to Financial Statements  
December 31, 2010  
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(10) Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2010, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Certificate of Indebtedness:					
Certificates of Indebtedness, Series 2002 (Capital Improvements)	\$ 30,700,000	\$ —	\$(30,700,000)	\$ —	\$ —
Certificates of Indebtedness, Series 2005 (Library)	<u>2,245,000</u>	<u>—</u>	<u>( 335,000)</u>	<u>1,910,000</u>	<u>350,000</u>
Total certificate of Indebtedness	<u>32,945,000</u>	<u>—</u>	<u>(31,035,000)</u>	<u>1,910,000</u>	<u>350,000</u>
Revenue Bonds:					
Sales Tax Bond 2010	—	5,000,000	—	5,000,000	—
Sales Tax Bond 2010A	—	24,830,000	—	24,830,000	—
Sales Tax Bond 2010B	—	6,310,000	—	6,310,000	1,425,000
Series 2010 Build America Bond	—	8,162,000	—	8,162,000	720,000
Revenue Bonds Series 2007 (LCDA Improvements)	<u>16,200,000</u>	<u>—</u>	<u>( 625,000)</u>	<u>15,575,000</u>	<u>655,000</u>
Total Revenue Bonds	<u>16,200,000</u>	<u>44,302,000</u>	<u>( 625,000)</u>	<u>59,877,000</u>	<u>2,800,000</u>
Other long-term liabilities:					
Special Assessment Debt— Paving Certificates	19,330	—	( 6,443)	12,887	6,443
Compensated absences	159,132	270,061	( 181,596)	247,597	154,636
Other post-employment benefit obligations	<u>1,981,260</u>	<u>1,444,681</u>	<u>—</u>	<u>3,425,941</u>	<u>—</u>
Total other long-term liabilities	<u>2,159,722</u>	<u>1,714,742</u>	<u>( 188,039)</u>	<u>3,686,425</u>	<u>161,079</u>
Governmental activities long-term liabilities	<u>\$51,304,722</u>	<u>\$ 46,016,742</u>	<u>\$(31,848,039)</u>	<u>65,473,425</u>	<u>3,311,079</u>
Less amounts due within period of availability— recorded in accounts payable				<u>( 21,983)</u>	<u>( 21,983)</u>
Total long-term liabilities, government-wide statements				<u>\$ 65,451,442</u>	<u>\$ 3,289,096</u>

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Certificates of indebtedness are comprised of the following issues:

Series 2005, original amount \$3,400,000 for the purpose of acquiring, constructing, improving and equipping the public library facilities and system; due in annual installments of \$240,000 to \$415,000 through March 1, 2015; interest rate of 3.67%; repayment of debt is paid from ad valorem taxes from the Library Fund

\$ 1,910,000

Revenue bonds consist of the following issues:

Series 2007, original amount \$17,325,000 for the purpose of the acquiring, constructing or improving streets and roads, parks and recreational facilities, and economic development facilities within the parish, title to which shall be in the public; interest rates range from 4.00% to 4.50%; due in annual installments of approximately \$1,310,000 through 2027. Repayment of debt will be from any lawfully available funds.

\$ 15,575,000

Sales Tax Refunding Bonds, Series 2010A, original amount \$24,830,000 for the purpose of advance refunding the Series 2002 Bonds, thus providing debt reductions and recapture of the reserve fund; interest rate 2.73%; due in annual installments of approximately \$1,800,000 to \$3,230,000 through 2022. Repayment of debt will be from sales tax revenues.

24,830,000

Taxable Sales Tax Refunding Bonds, Series 2010B, original amount \$6,310,000 for the purpose of advance refunding the Series 2002 Bonds, thus providing debt reductions and recapture of the reserve fund; interest rates range from 1.09% to 1.50%; due in annual installments of approximately \$1,400,000 to \$2,400,000 through 2013. Repayment of debt will be from sales tax revenues.

6,310,000

Sales Tax Bonds, Series 2010, original amount \$5,000,000, for the purpose of acquiring and constructing sewerage and water system facilities; interest rate of 1.1875%; due in annual installments of approximately \$2,500,000 through 2013. Repayment of debt will be from sales tax revenues.

5,000,000

Series 2010, Build America Bonds, original amount \$8,162,000 for the acquisition, upgrade, expansion and construction of parish owned public improvements; interest rate of 5.00%; due in annual installments of approximately \$720,000 to \$919,000 through 2020. Repayment of debt will be from any lawfully available funds.

8,162,000  
\$ 59,877,000

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In-substance Defeasance of Series 2002 Indebtedness

In December, 2010, the police jury issued \$24,830,000 of Sales Tax Refunding Bonds, Series 2010A and \$6,310,000 of Taxable Sales Tax Refunding Bonds Series 2010B, which was used for advance refunding of the Series 2002 indebtedness outstanding principal amount, (Refunded Bonds). The net proceeds of \$30,743,472 (after payment of cost of issuance) and approximately \$1,293,552 from the Refunded Bonds sinking and reserve funds were placed in special irrevocable trust fund established pursuant to the terms of an Escrow Deposit Agreement dated December 1, 2010 between the police jury and the Escrow Holder. The Escrow Holder used the proceeds to purchase a portfolio of Restricted Escrow Obligations which will be invested in the obligations of the United States of America. The Restricted Escrow Obligations will have maturities and interest rates sufficient to pay principal and interest payments and redemption premiums on the Refunded Bonds on the date the payments are due.

The police jury refunded the above indebtedness to obtain an economic gain (difference between the present values of debt service payments on the old and new debt) of approximately \$1,192,540.

The balance in the escrow was approximately \$32,037,025 at December 31, 2010. The balance of the defeased indebtedness was approximately \$29,050,000 at December 31, 2010. As a result, the Refunded Bonds are considered defeased and the liability has been removed from the financial statements.

Payments on long-term debt – certificates of indebtedness and revenue bonds are made from debt service funds. Compensated absences liability will be liquidated through various governmental funds. The liability for compensated absences at December 31, 2010, was allocated to the following funds: General fund (28%), Highway fund (38%), Library fund (27%), Sewer fund (1%), and Non-Major Governmental funds (6%). Payments on special assessment debt are made from collections of liens on assessed property.

Debt service requirements at December 31, 2010, were as follows:

<u>Fiscal Year</u>	<u>Certificate of Indebtedness</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 350,000	\$ 63,675	\$ 413,675
2012	365,000	50,554	415,554
2013	380,000	36,884	416,884
2014	400,000	22,570	422,570
2015	415,000	7,615	422,615
	<u>\$ 1,910,000</u>	<u>\$ 181,298</u>	<u>\$ 2,091,298</u>

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Bossier Parish Police Jury  
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<u>Fiscal Year</u>	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 2,800,000	\$ 1,503,257	\$ 4,303,257
2012	6,290,000	1,808,005	8,098,005
2013	6,480,000	1,684,706	8,164,706
2014	4,051,000	1,551,234	5,602,234
2015	4,203,000	1,413,578	5,616,578
2016-2020	23,293,000	4,827,571	28,120,571
2021-2025	10,305,000	1,464,196	11,769,196
2026-2027	2,455,000	166,950	2,621,950
	<u>\$59,877,000</u>	<u>\$14,419,497</u>	<u>\$74,296,497</u>

<u>Fiscal Year</u>	<u>Special Assessment Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 6,443	\$ 773	\$ 7,216
2012	6,444	388	6,832
	<u>\$ 12,887</u>	<u>\$ 1,161</u>	<u>\$ 14,048</u>

(11) Leases

The Police Jury leased office space under an operating lease. The rental cost on the office space was \$26,241 for the year ended December 31, 2010. There were no commitments under lease agreements having initial remaining terms in excess of one year.

(12) Pension Plan

*Plan Description.* Substantially all employees of the Bossier Parish Police Jury are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the police jury are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds are eligible to participate in the System. Under Plan A, employees who retire at or after age 65 with at least 7 years of creditable service, at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

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Bossier Parish Police Jury  
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*Funding Policy.* State statute requires covered employees to contribute a percentage of their salaries to the plan. As provided by R.S. 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the Bossier Parish Police Jury is required to contribute at an actuarially determined rate. Contribution rates were 15.75%, 12.25%, and 12.75% of annual covered payroll for 2010, 2009, and 2008, respectively. Contributions to the System include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The Bossier Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 2010, 2009, and 2008, were \$1,260,641, \$906,840, and \$835,384, respectively, equal to the required contributions for each year.

(13) Other Postemployment Benefits

**Plan Description.** The Bossier Parish Police Jury administers a single-employer defined benefit Other Post Employment Benefit plan (OPEB). The Bossier Parish Police Jury's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement.

Most employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007, retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. For the few employees not covered by that system, the same retirement eligibility has been assumed. Complete plan provisions are included in the official plan documents.

Dental insurance coverage is provided to retirees. The employer pays 80% of the cost of the dental insurance for the retiree dependents. We have used the unblended rates provided. All of the assumptions used for the valuation of the medical benefits have been used for dental insurance except for the trend assumption; zero trend was used for dental insurance.

Life insurance coverage is available to retirees and the blended rate (active and retired) is approximately \$0.24 per \$1,000 of insurance. The employee pays 20% of the "cost" of the retiree life insurance, but it is based on the blended rate. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Retiree insurance coverage amounts are reduced to a flat \$9,000, although certain current retirees have different amounts from prior schedules.

**Contribution Rates.** Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

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Bossier Parish Police Jury  
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**Fund Policy.** Until fiscal year ending December 31, 2008, the Bossier Parish Police Jury recognized the cost of providing post-employment medical and life benefits (the Bossier Parish Police Jury's portion of the retiree medical, dental, and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective with the Fiscal Year beginning January 1, 2008, Bossier Parish Police Jury implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). The requirements of GASB 45 were implemented prospectively. Accordingly, for financial reporting purposes, no liability was reported for the post-employment benefits liability at the date of transition. The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

In fiscal year ending December 31, 2010, the Bossier Parish Police Jury's portion of medical and dental funding cost for retired employees totaled \$297,090, and life totaled \$1,170. These amounts were applied toward the Net OPEB Benefit Obligation as shown in the table on the following page.

**Annual Required Contribution.** The Bossier Parish Police Jury's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning January 1, 2010 is \$1,748,685 (medical/dental), and \$29,583 (life) as set forth below:

	Medical/Dental	Life
Normal Cost	\$ 888,464	\$ 12,001
30-year UAL amortization amount	860,221	17,582
Annual required contribution (ARC)	\$ 1,748,685	\$ 29,583

**Net Post-employment Benefit Obligation (Asset).** The table below shows Bossier Parish Police Jury's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending December 31, 2010:

	Medical/Dental	Life
1. Beginning Net OPEB Obligation (Asset) 1/1/2010	\$1,959,635	\$21,625
2. Annual required contribution	1,748,685	29,583
3. Interest on Net OPEB Obligation (Asset): .04 X [1]	78,385	865
4. ARC Adjustment: [1]/17.292	113,326	1,251
5. OPEB Cost: [2]+[3]-[4]	1,713,744	29,197
6. Contribution	0	0
7. Current year retiree premium	297,090	1,170
8. Change in Net OPEB Obligation: [5]-[6]-[7]	1,416,654	28,027
9. Ending Net OPEB Obligation: (Asset) 12/31/2010: [1]+[8]	\$3,376,289	\$49,652

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The following table shows Bossier Parish Police Jury's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation (Asset)
Medical/Dental	December 31, 2010	\$1,713,744	6.61%	\$3,376,289
Life	December 31, 2010	\$29,197	4.01%	\$49,652
Medical/Dental	December 31, 2009	\$1,225,012	62.68%	\$1,959,635
Life	December 31, 2009	\$11,749	8.80%	\$21,625
Medical/Dental	December 31, 2008	\$1,242,639	61.95%	\$988,631
Life	December 31, 2008	\$11,944	8.66%	\$10,910

**Funded Status and Funding Progress.** In the fiscal year ending December 31, 2010, the Bossier Parish Police Jury made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of December 31, 2010, the end of the fiscal year, the Actuarial Accrued Liability (AAL) was \$14,874,989 (medical/dental), and \$304,125 (life), which is defined as that portion, as determined by a particular actuarial cost method (the Bossier Parish Police Jury uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal years 2008, 2009, and 2010, the entire actuarial accrued liability of \$14,874,989 (medical/dental), and \$304,125 (life) was unfunded.

	Medical/Dental	Life
Actuarial Accrued Liability (AAL)	\$ 14,874,989	\$ 304,125
Actuarial Value of Plan Assets	0	0
Unfunded Act. Accrued Liability (UAAL)	\$ 14,874,989	\$ 304,125
Funded Ratio (Act. Val. Assets/AAL)	0%	0%
Covered Payroll (active plan members)	\$ 7,397,527	\$ 7,397,527
UAAL as a percentage of covered payroll	201.08%	4.11%

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(Continued)

**Actuarial Methods and Assumptions.** Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by Bossier Parish Police Jury and its employee plan members) at the time of the valuation and on the pattern of sharing costs between Bossier Parish Police Jury and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between Bossier Parish Police Jury and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

**Actuarial Cost Method.** The ARC is determined using the Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

**Actuarial Value of Plan Assets.** Since the OPEB obligation has not as yet been funded, there are not any assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

**Turnover Rate.** An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 5%. The rates for each age are below:

Age	Percent Turnover
18 - 25	8.0%
26 - 40	6.0%
41 - 54	5.0%
55+	4.0%

**Post employment Benefit Plan Eligibility Requirements.** Based on past experience, it has been assumed that entitlement to benefits will commence three years after eligibility to enter the D.R.O.P. Medical benefits are provided to employees upon actual retirement. Most employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007, retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. For the few employees not covered by that system, the same retirement eligibility has been assumed. Entitlement to benefits continue through Medicare to death.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

**Investment Return Assumption (Discount Rate).** GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Since the ARC is not currently being funded and not expected to be funded in the near future, we have performed this valuation using a 4% annual investment return.

**Health Care Cost Trend Rate.** The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration ([www.cms.hhs.gov](http://www.cms.hhs.gov)). "State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

**Mortality Rate.** The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is the mortality table which the Internal Revenue Service requires to be used in determining the value of accrued benefits in defined benefit pension plans. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance.

**Method of Determining Value of Benefits.** The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 80% of the cost of the medical insurance for the retirees and dependents. The rates provided applicable before age 65 are "blended" rates. Since GASB 45 mandates that "unblended" rates be used, we have estimated the "unblended" rates for two broad groups: active and retired before Medicare eligibility. It has been assumed that the retiree rate before Medicare eligibility is 130% of the blended rate.

(14) Criminal Court Fund

R.S. 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year-end be transferred to the parish General Fund. The following details the amount due at December 31, 2010:

Balance due at January 1, 2010	\$ 24,164
Amount due for 2010	<u>30,349</u>
Total	54,513
Remitted during 2010	<u>( 24,164)</u>
Balance due at December 31, 2010	<u>\$ 30,349</u>

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

(15) Risk Management

The police jury purchases commercial insurance to provide workers compensation coverage and general liability and property insurance. There were no significant reductions in insurance coverage from the previous year.

(16) Commitments

The police jury expects to receive approximately \$2,490,000 in capital outlay from the State of Louisiana to establish a sewer district in the parish. It is the intent of the police jury to obtain loans from the State of Louisiana Department of Environmental Quality of approximately \$17,750,000 for the sewer district project. The police jury has signed a contract in relation to this project for approximately \$2,741,500 for engineering services. Of this amount, \$982,200 has been incurred as of December 31, 2010 and approximately \$1,759,300 will be incurred subsequent to December 31, 2010.

The police jury has additional commitments for signed construction, engineering, and other contracts of approximately \$16,051,941. As of December 31, 2010, approximately \$7,479,441 has been incurred as of December 31, 2010 and the balance remaining in these contracts was approximately \$8,572,500, which will be incurred subsequent to December 31, 2010.

(17) Deficit Fund Balances

The Rural Development grants fund has a deficit fund balance of \$10,000, and Valerie Lane Debt Service has a deficit in fund balance of \$2,551 as of December 31, 2010.

(18) Donated Infrastructure

Included in operating grants and contributions in the Statement of Activities is \$13,764,596 of donated infrastructure. The donations are the result of the Bossier Parish Police Jury's acceptance of subdivisions into the jury's road maintenance system. Also included in operating grants and contributions is \$8,338,883 for the Cyber Innovation Center paid by the State of Louisiana.

(19) Litigation and Claims

At December 31, 2010, the police jury is involved in numerous lawsuits. In the opinion of legal counsel for the police jury, the potential loss on all claims and lawsuits will not be significant to the police jury's financial statements.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2010  
(Continued)

(20) Economic Dependency

The following are the principal taxpayers for the parish and their 2010 assessed valuation.

	2010 Assessed Valuation	Percent of Total Assessed Valuation
Horseshoe Entertainment	\$ 28,931,180	2.90%
Petrohawk Operating	24,834,200	2.49%
KCS Resources, LLC	19,895,190	2.00%
J-W Operating	18,293,820	1.84%
Southwestern Electric	17,207,750	1.73%
Midcontinent Express	14,415,030	1.45%
Halliburton Energy	13,373,580	1.34%
Louisiana Riverboat	11,617,100	1.17%
Gulf Crossing Pipeline	11,554,190	1.16%
City of Shreveport	<u>9,445,360</u>	<u>.95%</u>
	<u>\$ 169,567,400</u>	<u>17.03%</u>

The police jury received gaming revenues of \$4,445,462 from local gaming establishments.

(21) Subsequent Events

Subsequent events have been evaluated through July 7, 2011, the date the financial statements were available to be issued.

Bossier Parish Policy Jury  
Benton, Louisiana  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 1,492,987	\$ 1,530,000	\$ 1,614,591	\$ 84,591
Sales tax	1,625,000	1,780,000	1,946,242	166,242
Licenses and permits	559,800	563,500	579,489	15,989
Intergovernmental revenues	1,578,000	1,451,157	1,438,872	(12,285)
Fees, charges, and commissions for services	175,000	160,000	87,442	(72,558)
Use of money and property	20,000	7,400	7,102	(298)
Other revenues	431,850	261,307	247,456	(13,851)
Total revenues	5,882,637	5,753,364	5,921,194	167,830
Expenditures:				
Current:				
General government:				
Legislative	380,800	381,050	333,337	47,713
Judicial	631,375	633,225	562,707	70,518
Elections	181,600	187,100	156,594	30,506
Finance and administrative	2,260,000	2,043,820	1,966,963	76,857
Other	260,641	262,931	264,431	(1,500)
Public safety	1,755,077	1,921,577	2,201,526	(279,949)
Public works	148,000			
Health and welfare	143,840	150,840	149,884	956
Culture and recreation	100,000	100,000	74,106	25,894
Capital projects	1,500	1,500		1,500
Economic development	191,677	191,677	171,059	20,618
Total expenditures	6,054,510	5,873,720	5,880,607	(6,887)
Excess (deficiency) of revenues over expenditures	(171,873)	(120,356)	40,587	160,943
Other financing sources (uses):				
Operating transfers in			121,684	121,684
Operating transfers out	(1,094,146)	(290,000)	(290,000)	
Total other financing sources (uses)	(1,094,146)	(290,000)	(168,316)	121,684
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,266,019)	(410,356)	(127,729)	282,627
Fund balances at beginning of year	1,863,857	1,574,448	1,563,640	(10,808)
Fund balances at end of year	\$ 597,838	\$ 1,164,092	\$ 1,435,911	\$ 271,819

See accompanying note to the required supplementary schedule.

Bossier Parish Policy Jury  
Benton, Louisiana  
Required Supplementary Information  
Budgetary Comparison Schedule  
Highway Fund  
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 1,517,000	\$ 1,550,000	\$ 1,644,289	94,289
Sales tax	8,500,000	9,300,000	10,249,891	949,891
License and permits	50,000	210,000	220,657	10,657
Intergovernmental revenues	3,760,000	3,224,558	3,354,939	130,381
Use of money and property	6,000	8,000	9,112	1,112
Other revenues	10,000	698,095	705,574	7,479
Total revenues	<u>13,843,000</u>	<u>14,990,653</u>	<u>16,184,462</u>	<u>1,193,809</u>
Expenditures:				
Current:				
General government:				
Finance and administrative	107,905	135,500	136,596	(1,096)
Public works	23,637,475	23,323,949	14,469,941	8,854,008
Total expenditures	<u>23,745,380</u>	<u>23,459,449</u>	<u>14,606,537</u>	<u>8,852,912</u>
Excess (deficiency) of revenues over expenditures	<u>(9,902,380)</u>	<u>(8,468,796)</u>	<u>1,577,925</u>	<u>10,046,721</u>
Other financing sources (uses):				
Operating transfers in		1,830,322	6,214,334	4,384,012
Operating transfers out	(175,000)	(175,000)	(175,000)	
Total other financing sources (uses)	<u>(175,000)</u>	<u>1,655,322</u>	<u>6,039,334</u>	<u>4,384,012</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(10,077,380)</u>	<u>(6,813,474)</u>	<u>7,617,259</u>	<u>14,430,733</u>
Fund balances at beginning of year	<u>11,458,673</u>	<u>12,750,361</u>	<u>12,758,338</u>	<u>7,977</u>
Fund balances at end of year	<u>\$ 1,381,293</u>	<u>\$ 5,936,887</u>	<u>\$ 20,375,597</u>	<u>\$ 14,438,710</u>

See accompanying note to the required supplementary schedule.

Bossier Parish Policy Jury  
Benton, Louisiana  
Required Supplementary Information  
Budgetary Comparison Schedule  
Library Fund  
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues:				
Ad valorem taxes	\$ 5,330,000	\$ 5,825,000	\$ 6,179,464	\$ 354,464
Intergovernmental revenues	136,000	136,000	170,323	34,323
Fees, charges, and commissions for services	27,000	30,000	33,665	3,665
Fines and forfeitures	30,000	35,000	39,903	4,903
Use of money and property	1,000	4,000	4,680	680
Other revenues	36,921	28,656	14,869	(13,787)
Total revenues	<u>5,560,921</u>	<u>6,058,656</u>	<u>6,442,904</u>	<u>384,248</u>
Expenditures:				
Current:				
General government:				
Finance and administrative	170,000	190,000	188,786	1,214
Culture and recreation	4,985,921	5,463,656	4,064,687	1,398,969
Total expenditures	<u>5,155,921</u>	<u>5,653,656</u>	<u>4,253,473</u>	<u>1,400,183</u>
Excess (deficiency) of revenues over expenditures	<u>405,000</u>	<u>405,000</u>	<u>2,189,431</u>	<u>1,784,431</u>
Other financing sources (uses):				
Operating transfers out	<u>(405,000)</u>	<u>(405,000)</u>	<u>(405,000)</u>	
Total other financing sources (uses)	<u>(405,000)</u>	<u>(405,000)</u>	<u>(405,000)</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses			1,784,431	1,784,431
Fund balances at beginning of year	<u>2,656,426</u>	<u>4,646,692</u>	<u>4,646,689</u>	<u>(3)</u>
Fund balances at end of year	<u>\$ 2,656,426</u>	<u>\$ 4,646,692</u>	<u>\$ 6,431,120</u>	<u>\$ 1,784,428</u>

See accompanying note to the required supplementary schedule.



Bossier Parish Policy Jury  
Benton, Louisiana  
Required Supplementary Information  
Budgetary Comparison Schedule  
Corrections  
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues:				
Ad valorem taxes	\$ 1,768,500	\$ 1,807,500	\$ 1,916,982	\$ 109,482
Intergovernmental revenues		27,488	27,488	
Fees, charges, and commissions for services	50,000	72,000	71,641	(359)
Use of money and property	1,500	1,200	1,276	76
Other revenues	5,000	3,800	4,303	503
Total revenues	<u>1,825,000</u>	<u>1,911,988</u>	<u>2,021,690</u>	<u>109,702</u>
Expenditures:				
Current:				
General government:				
Finance and administrative	55,848	58,600	58,554	46
Public safety	3,027,444	2,710,919	2,261,133	449,786
Total expenditures	<u>3,083,292</u>	<u>2,769,519</u>	<u>2,319,687</u>	<u>449,832</u>
Excess (deficiency) of revenues over expenditures	<u>(1,258,292)</u>	<u>(857,531)</u>	<u>(297,997)</u>	<u>559,534</u>
Other financing sources (uses):				
Operating transfers in	1,000,000	1,000,000	1,000,000	
Total other financing sources (uses)	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(258,292)</u>	<u>142,469</u>	<u>702,003</u>	<u>559,534</u>
Fund balances at beginning of year	<u>4,586,552</u>	<u>965,713</u>	<u>965,713</u>	
Fund balances at end of year	<u>\$ 4,328,260</u>	<u>\$ 1,108,182</u>	<u>\$ 1,667,716</u>	<u>\$ 559,534</u>

See accompanying note to the required supplementary schedule.

Bossier Parish Police Jury  
Benton, Louisiana  
Note to Required Supplementary Information  
December 31, 2010

Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. The following schedule reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the statement of revenues, expenditures and changes in fund balances (budget basis) with the amounts shown on the statement of revenues, expenditures and changes in fund balances (GAAP basis):

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Library Fund</u>	<u>Corrections</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (budget basis)	\$( 127,729)	\$ 7,617,259	\$ 1,784,431	\$ 702,003
Adjustments:				
Revenue accruals – net	234,581	436,839	407,626	130,727
Expenditures accruals – net	<u>53,021</u>	<u>( 18,142)</u>	<u>109,449</u>	<u>( 323,276)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$( 159,873)</u>	<u>\$ 8,035,956</u>	<u>\$ 2,301,506</u>	<u>\$ 509,454</u>

Bossier Parish Police Jury  
Benton, Louisiana  
Schedule of Funding Progress for Retiree Health, Dental, and Life Plans  
For the Year Ended December 31, 2010

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded ALL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2010	0	\$ 15,179,114	\$ 15,179,114	0	\$ 7,397,527	205%
1/1/2008	0	\$ 10,839,178	\$ 10,839,178	0	\$ 5,576,519	194%

Bossier Parish Police Jury  
Benton, Louisiana  
Supplemental Information Schedules –  
Combining Schedules for Non-Major Funds  
As of and for the Year Ended December 31, 2010

**Health Unit Fund**

The Health Unit Fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a special parish-wide ad valorem tax and interest earnings.

**Law Enforcement Fund**

Act 582 of 2004 increased the witness fee paid to off-duty law enforcement officers in criminal cases from \$25 per day per case to \$50 per day per case, up to a maximum of \$150 per day. The act stipulated that no parish would be required to appropriate general fund money for payment of these fees, and provided for a special fund to be established for payment. The 26<sup>th</sup> Judicial District Court judges are taxing defendants to pay witness fees associated with their cases.

**Criminal Court Fund**

The Criminal Court Fund was created by Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal cases be transferred to the parish treasurer and deposited in a special criminal court fund account to be used for the expenses of the criminal court of the parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judge. The statute also requires that one-half of the surplus (fund balance) remaining in the fund at December 31 of each year be transferred to the parish General Fund.

**Detention Center Fund**

The Detention Center Fund accounts for the maintenance and operation of the detention center, which is a secure confinement facility providing temporary care for children under 17 years of age who are charged with delinquent offenses. These children are held pending their court cases. Financing is provided by the police jury and the City of Bossier City.

**Section 8 Housing Fund**

The Section 8 Fund accounts for the operation of a Section 8 Housing Subsidy Program funded by the United States Department of Housing and Urban Development. The program provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for low-income families at rents they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant family's required contribution toward the rent.

**Airline Drive Construction Fund**

The Airline Drive Construction Fund was created to account for the construction/improvement of Airline Drive in Bossier Parish.

**Parks and Recreation Fund**

The Parks and Recreation Fund was created to account for funds received from mineral leases to be used for the improvement of various parks and recreation facilities in Bossier Parish.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Supplemental Information Schedules –  
Combining Schedules for Non-Major Funds  
As of and for the Year Ended December 31, 2010  
(Continued)

**LCDA Sinking Fund**

The LCDA Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on revenue bonds issued for purposes of acquiring, constructing or improving streets and roads, parks and recreational facilities, and economic development facilities within the parish, title to which shall be in the public.

**Sales Tax Bonds Sinking Fund**

The Sales Tax Bonds Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on certificates of indebtedness issued for purposes of courthouse improvements/renovations and construction of a new maximum security jail.

**General Capital Projects**

The General Capital Projects Fund accounts for boarding fee funds received from three of the riverboats in Bossier Parish as well as the proceeds from taxes levied on slot machine proceeds. This money is to be utilized for various Capital Projects

**LCDBG Fund**

The LCDBG Fund is used to account for a Louisiana Community Development Block Grant obtained from the State of Louisiana Division of Administration for the purpose of fire protection.

**Rural Development Grant Fund**

The Rural Development Grant fund is used to account for various grants received from the State of Louisiana, Office of Rural Development, for various capital projects.

**Highway Certificates of Indebtedness Sinking Fund**

The Highway Certificates of Indebtedness Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on certificates of indebtedness issued for purposes of rural road construction.

**Library Certificates of Indebtedness Sinking Fund**

The Library Certificates of Indebtedness Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on certificates of indebtedness issued for purposes of construction of a library history center.

**Valerie Lane Debt Service Fund**

The Valerie Lane Debt Service Fund is used to account for the accumulation of resources for and the repayment of debt on paving certificates issued for purposes of improvements to Valerie Lane in Bossier Parish.

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Supplemental Information Schedules –  
Combining Schedules for Non-Major Funds  
As of and for the Year Ended December 31, 2010  
(Continued)

**Courthouse / Jail Construction Fund**

The Courthouse / Jail Construction Fund is used to account for the construction/improvement of the Bossier Parish Courthouse and a new jail in Bossier Parish.

**Cyber Command Fund**

The Cyber Command Fund is used to account for the construction of the new Cyber Innovation Center.

**LCDA Public Improvements**

The LCDA Public Improvement Fund accounts for the acquiring, constructing or improving streets and roads, parks and recreational facilities, and economic development facilities within the parish, title to which shall be in the public.

**Consolidated Waterworks / Sewerage District**

The Consolidated Waterworks / Sewerage District was created by the Bossier Parish Police Jury for the purpose of acquiring a waterworks and sewerage system, and constructing and acquiring improvements and extensions to the waterworks and sewerage system. The District is still in the planning phase, and there have been no operations yet.

Bossier Parish Police Jury  
Benton, Louisiana  
Combining Balance Sheet  
Other Governmental Funds  
December 31, 2010

	Health Unit		Law Enforcement		Criminal Court		Detention Center		Section 8 Housing		Airline Drive Construction		Parks & Recreation	
<b>Assets</b>														
Cash and cash equivalents	\$	79,534	\$	49,042	\$	4,628	\$	3,727	\$	626,323	\$	45,066	\$	60,398
Investments		1,359,967		159,996						199,993		459,989		369,991
Receivables		700,616		2,252		86,108								5,199
Restricted cash														
Restricted investments														
Due from other fund														
Total assets	\$	2,140,117	\$	211,290	\$	97,109	\$	3,727	\$	826,316	\$	505,055	\$	435,588
<b>Liabilities and Fund Balances</b>														
<b>Liabilities:</b>														
Accounts payable	\$	29,417	\$	800	\$	54,678	\$	923	\$	15,711	\$		\$	43,509
Due to other fund						12,082								
Deferred revenue		61,350												
Total liabilities		90,767		800		66,760		923		15,711				43,509
<b>Fund balances:</b>														
Reserved														
Debt service														
Unreserved, reported in nonmajor:														
Special revenue funds		2,049,350		210,490		30,349		2,804		810,605		505,055		392,079
Capital projects funds												505,055		392,079
Total fund balances		2,049,350		210,490		30,349		2,804		810,605		505,055		392,079
Total liabilities and fund balances	\$	2,140,117	\$	211,290	\$	97,109	\$	3,727	\$	826,316	\$	505,055	\$	435,588

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Combining Balance Sheet  
Other Governmental Funds  
December 31, 2010

(Continued)

	Assets						Liabilities and Fund Balances		
	LCD Sinking Fund	Sales Tax Bond Sinking	General Capital Projects	LCDBG	Rural Development Grants	Highway Certificates of Indebtedness Sinking Fund	Library Certificates of Indebtedness Sinking Fund		
Cash and cash equivalents	\$ 109,408	\$ 371,203	\$ 767,594	\$	\$	\$	\$	5,394	
Investments		1,334,974	874,701						
Receivables			179,309						
Restricted cash									
Restricted investments									
Due from other fund									
Total assets	\$ 109,408	\$ 1,706,177	\$ 1,821,604	\$	\$	\$	\$	5,394	
Liabilities and Fund Balances									
Liabilities:									
Accounts payable			\$ 99,391	\$	\$	\$	\$		
Due to other fund					10,000				
Deferred revenue									
Total liabilities			99,391		10,000				
Fund balances:									
Reserved									
Debt service	109,408	1,706,177						5,394	
Unreserved, reported in nonmajor:									
Special revenue funds			1,722,213		(10,000)				
Capital projects funds			1,722,213		(10,000)				
Total fund balances	109,408	1,706,177	1,722,213		(10,000)			5,394	
Total liabilities and fund balances	\$ 109,408	\$ 1,706,177	\$ 1,821,604	\$	\$	\$	\$	5,394	

(Continued)



Bossier Parish Police Jury  
Benton, Louisiana  
Combining Balance Sheet  
Other Governmental Funds  
December 31, 2010

(Continued)

	Valerie Lane Debt Service	Jail Construction	Courthouse /	Cyber Command	LCDA Public Improvements	Consolidated Waterworks / Sewerage District	Total Other Governmental Funds
<b>Assets</b>							
Cash and cash equivalents	\$ 6,654	\$	\$	5,488	\$	\$ 111,320	\$ 2,245,779
Investments	10,000					401,719	5,171,330
Receivables							973,484
Restricted cash					140,672		140,672
Restricted investments					1,499,958	4,398,157	5,898,115
Due from other fund							6,373
Total assets	<u>\$ 16,654</u>	<u>\$</u>	<u>\$</u>	<u>5,488</u>	<u>\$ 1,640,630</u>	<u>\$ 4,911,196</u>	<u>\$ 14,435,753</u>
<b>Liabilities and Fund Balances</b>							
<b>Liabilities:</b>							
Accounts payable	\$	\$	\$	\$	\$	10,121	\$ 254,550
Due to other fund	19,205						41,287
Deferred revenue							61,350
Total liabilities	<u>19,205</u>	<u></u>	<u></u>	<u></u>	<u></u>	<u>10,121</u>	<u>357,187</u>
<b>Fund balances:</b>							
Reserved	(2,551)						1,818,428
Debt service							
Unreserved, reported in nonmajor:							
Special revenue funds				5,488	1,640,630	4,901,075	3,093,598
Capital projects funds				5,488	1,640,630	4,901,075	9,166,540
Total fund balances	<u>(2,551)</u>	<u></u>	<u></u>	<u>5,488</u>	<u>1,640,630</u>	<u>4,901,075</u>	<u>14,078,566</u>
Total liabilities and fund balances	<u>\$ 16,654</u>	<u>\$</u>	<u>\$</u>	<u>5,488</u>	<u>\$ 1,640,630</u>	<u>\$ 4,911,196</u>	<u>\$ 14,435,753</u>

Bossier Parish Police Jury  
Benton, Louisiana  
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2010

	Health Unit	Law Enforcement	Criminal Court	Detention Center	Section 8 Housing	Airline Drive Construction	Parks & Recreation
Revenues:							
Ad valorem taxes	\$ 722,222	\$	\$	\$	\$	\$	\$
Intergovernmental revenues	52,222			150,000	3,810,770		
Fees, charges and commissions for service		49,066	299,643	11,422			
Fine and forfeitures			1,126,559				
Investment earnings	960	91			377	289	163
Miscellaneous	1,875				27,875		377,104
Total revenues	<u>777,279</u>	<u>49,157</u>	<u>1,426,202</u>	<u>161,422</u>	<u>3,839,022</u>	<u>289</u>	<u>377,267</u>
Expenditures:							
Current:							
General government:							
Zoning and planning							
Judicial			1,302,882				
Finance and administrative	22,295		17,717		444,261		
Other							
Public safety	160,693	15,550		938,987			
Public works							
Health and welfare	275,464				3,327,200		
Culture and recreation							289,359
Economic development							
Capital Outlay			378,888				
Debt service:							
Principal retirement							
Interest and other charges							
Bond issuance costs							
Total expenditures	<u>458,452</u>	<u>15,550</u>	<u>1,699,487</u>	<u>938,987</u>	<u>3,771,461</u>		<u>289,359</u>
Excess (deficiency) of revenues over expenditures	<u>318,827</u>	<u>33,607</u>	<u>(273,285)</u>	<u>(777,565)</u>	<u>67,561</u>	<u>289</u>	<u>87,908</u>
Other financing sources (uses)							
Proceeds from sale of bonds							
Proceeds from refunding bonds							
Payment to refunded bond escrow agent							
Transfers in			290,000	760,000		100,000	
Transfers out			(10,530)				
Total other financing sources			<u>279,470</u>	<u>760,000</u>		<u>100,000</u>	
Excess (deficiency) of revenues and other sources over expenditures	<u>318,827</u>	<u>33,607</u>	<u>6,185</u>	<u>(17,565)</u>	<u>67,561</u>	<u>100,289</u>	<u>87,908</u>
Fund balances at beginning of year	<u>1,730,523</u>	<u>176,883</u>	<u>24,164</u>	<u>20,369</u>	<u>743,044</u>	<u>404,766</u>	<u>304,171</u>
Fund balances at end of year	<u>\$ 2,049,350</u>	<u>\$ 210,490</u>	<u>\$ 30,349</u>	<u>\$ 2,804</u>	<u>\$ 810,605</u>	<u>\$ 505,055</u>	<u>\$ 392,079</u>

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2010  
(Continued)

	LCD Sinking Fund	Sales Tax Bond Sinking	General Capital Projects	LCDBG	Rural Development Grants	Highway Certificates of Indebtedness Sinking Fund	Library Certificates of Indebtedness Sinking Fund
Revenues:							
Ad valorem taxes	\$	\$	\$	\$	\$	\$	\$
Intergovernmental revenues				171,954	114,010		
Fees, charges and commissions for service			2,766,110				
Fine and forfeitures							
Investment earnings		1,533	320				2
Miscellaneous							
Total revenues		1,533	2,766,430	171,954	114,010		2
Expenditures:							
Current:							
General government:							
Zoning and planning			66,838				
Judicial							
Finance and administrative							
Other							
Public safety			219,176		120,609		
Public works			75,368				
Health and welfare							
Culture and recreation							
Economic development			1,125,007				
Capital Outlay			388,100	171,954			
Debt service:							
Principal retirement	625,000	1,650,000					335,000
Interest and other charges	682,875	2,126,192					76,244
Bond issuance costs		378,396					
Total expenditures	1,307,875	4,154,588	1,874,489	171,954	120,609		411,244
Excess (deficiency) of revenues over expenditures	(1,307,875)	(4,153,055)	891,941		(6,599)		(411,242)
Other financing sources (uses)							
Proceeds from sale of bonds							
Proceeds from refunding bonds		31,140,000					
Payment to refunded bond escrow agent		(31,389,613)					
Transfers in	1,308,289	3,092,000	1,828,701		6,599		405,000
Transfers out			(1,808,288)				
Total other financing sources	1,308,289	2,842,387	20,413		6,599		405,000
Excess (deficiency) of revenues and other sources over expenditures	414	(1,310,668)	912,354				(6,242)
Fund balances at beginning of year	108,994	3,016,845	809,859		(10,000)		11,636
Fund balances at end of year	\$ 109,408	\$ 1,706,177	\$ 1,722,213	\$	\$ (10,000)	\$	\$ 5,394

(Continued)

Bossier Parish Police Jury  
Benton, Louisiana  
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2010  
(Continued)

	Valerie Lane Debt Service	Courthouse / Jail Construction	Cyber Command	LCDA Public Improvement	Consolidated Waterworks / Sewerage District	Total Other Governmental Funds
Revenues:						
Ad valorem taxes	\$	\$	\$	\$	\$	\$ 722,222
Intergovernmental revenues					782,900	5,081,856
Fees, charges and commissions for service						3,126,241
Fine and forfeitures						1,126,559
Investment earnings	1,131	979		434	1,173	7,452
Miscellaneous	3,457					410,311
Total revenues	<u>4,588</u>	<u>979</u>		<u>434</u>	<u>784,073</u>	<u>10,474,641</u>
Expenditures:						
Current:						
General government:						
Zoning and planning						66,838
Judicial						1,302,882
Finance and administrative					85,453	569,726
Other						1,455,015
Public safety						193,883
Public works		44,681		9	73,825	3,602,664
Health and welfare						289,359
Culture and recreation						1,182,458
Economic development	5,811		51,640			2,650,340
Capital Outlay		828,910			882,488	
Debt service:						
Principal retirement	6,443					2,616,443
Interest and other charges	1,160					2,886,471
Bond issuance costs					39,862	418,258
Total expenditures	<u>13,414</u>	<u>873,591</u>	<u>51,640</u>	<u>9</u>	<u>1,081,628</u>	<u>17,234,337</u>
Excess (deficiency) of revenues over expenditures	<u>(8,826)</u>	<u>(872,612)</u>	<u>(51,640)</u>	<u>425</u>	<u>(297,555)</u>	<u>(6,759,696)</u>
Other financing sources (uses)						
Proceeds from sale of bonds					5,000,000	5,000,000
Proceeds from refunding bonds						31,140,000
Payment to refunded bond escrow agent						(31,389,613)
Transfers in					500,000	8,290,589
Transfers out	(1,124)	(1,623,915)	(72,700)	(7,777,063)	(301,370)	(11,594,990)
Total other financing sources	<u>(1,124)</u>	<u>(1,623,915)</u>	<u>(72,700)</u>	<u>(7,777,063)</u>	<u>5,198,630</u>	<u>1,445,986</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>(9,950)</u>	<u>(2,496,527)</u>	<u>(124,340)</u>	<u>(7,776,638)</u>	<u>4,901,075</u>	<u>(5,313,710)</u>
Fund balances at beginning of year	<u>7,399</u>	<u>2,496,527</u>	<u>129,828</u>	<u>9,417,268</u>		<u>19,392,276</u>
Fund balances at end of year	<u>\$ (2,551)</u>	<u>\$ -</u>	<u>\$ 5,488</u>	<u>\$ 1,640,630</u>	<u>\$ 4,901,075</u>	<u>\$ 14,078,566</u>

Bossier Parish Police Jury  
Benton, Louisiana  
Supplemental Information Schedule -  
Schedule of Compensation Paid Police Jurors  
December 31, 2010

	<u>Amount</u>
W. Wayne Hammack	\$ 14,954
Winfred Johnston	14,954
Jerome L. Darby	14,904
Rick L. Avery	14,904
Brad Cummings	14,954
Jimmy Cochran, President	14,954
Bill Altimus	14,954
Glenn Benton	14,904
Wanda Bennett	14,904
Barry Butler	14,954
Paul Plummer	14,954
Hank Meachum	<u>14,954</u>
 Total	 <u>\$ 179,248</u>

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation.

Bossier Parish Police Jury  
Benton, Louisiana  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2010

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. Department of Defense</u> Direct Program - Payment in-Lieu-of Taxes	12.112	Unknown	\$ 73,817
<u>U.S. Department of Housing and Urban Development</u> Direct Programs: Housing Choice Vouchers Veterans Affairs Supportive Housing	14.871 14.VSH	LA190V0	\$ 3,582,442 189,019
Passed through Louisiana Division of Administration, Office of Community Development Community Development Block Grant Total U.S. Department of Housing and Urban Development	14.228	685210	171,954 3,943,415
<u>Department of Homeland Security</u> Passed through the Governor's Office of Homeland Security and Emergency Preparedness Hazard Mitigation Disaster Recovery Total U.S. Department of Homeland Security	97.039 97.036	1603n-015-0006 Unknown	6,500 395,699 402,199
<u>U.S. Department of Energy</u> Passed through the Louisiana Department of Natural Resources Disaster Housing Assistance Grant	81.128	EEA-1008	27,488
<u>Environmental Protection Agency</u> Passed through the Louisiana Department of Environmental Quality ARRA - Diesel Emissions Reduction Act	66.040	Unknown	238,713
<b>Total Federal Expenditures</b>			<u>\$ 4,685,632</u>

NOTE 1: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

# COOK & MOREHART

*Certified Public Accountants*

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## Report on Internal Control Over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed In Accordance With *Government Auditing Standards*

Bossier Parish Police Jury  
Benton, Louisiana

We have audited the accompanying primary government financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bossier Parish Police Jury, as of and for the year ended December 31, 2010, and have issued our report thereon dated July 7, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Bossier Parish Police Jury's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bossier Parish Police Jury's internal control over financial reporting. Accordingly, we do not express an opinion of the effectiveness of the Bossier Parish Police Jury's internal over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bossier Parish Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in dark ink, appearing to read "Cook & Morehart", with a stylized, flowing script.

Cook & Morehart  
Certified Public Accountants  
July 7, 2011



# COOK & MOREHART

*Certified Public Accountants*

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## Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance In Accordance with OMB Circular A-133

Bossier Parish Police Jury  
Benton, Louisiana

### Compliance

We have audited the compliance of Bossier Parish Police Jury with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010. Bossier Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Bossier Parish Police Jury's management. Our responsibility is to express an opinion on Bossier Parish Police Jury's compliance based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on test basis, evidence about Bossier Parish Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Bossier Parish Police Jury's compliance with those requirements.

In our opinion, Bossier Parish Police Jury complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

### Internal Control Over Compliance

Management of Bossier Parish Police Jury is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Bossier Parish Police Jury's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Bossier Parish Police Jury's internal control over compliance.

*A deficiency in internal control* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in dark ink, appearing to read "Cook & Morehart", with a long horizontal flourish extending to the right.

Cook & Morehart  
Certified Public Accountants  
July 7, 2011

Bossier Parish Police Jury  
Benton, Louisiana  
Summary Schedule of Prior Audit Findings  
December 31, 2010

There were no findings related to federal awards programs in the prior year audit for the year ended December 31, 2009.

Schedule of Finding and Questioned Costs  
December 31, 2010

**A. Summary of Audit Results**

1. The auditor's report expresses an unqualified opinion on the primary government's governmental activities and each major fund of Bossier Parish Police Jury, and an adverse opinion on the aggregate remaining fund information due to the aggregate discretely presented component units not being included.
2. No significant deficiencies are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Bossier Parish Police Jury were disclosed during the audit.
4. No significant deficiencies are reported in the Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Bossier Parish Police Jury expresses an unqualified opinion.
6. There are no audit findings relative to the major federal award programs for Bossier Parish Police Jury reported in Part C. of this Schedule.
7. The programs tested as major programs included the Low-Income Housing Assistance Program, CFDA #14.871, and the Disaster Recovery Program, CFDA #97.036.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Bossier Parish Police Jury qualifies as a low-risk auditee.

**B. Findings – Financial Statements Audit:** None

**C. Findings and Questioned Costs – Major Federal Award Programs Audit:** None

Bossier Parish Police Jury  
Benton, Louisiana  
Summary Schedule of Prior Year Audit Findings  
Schedule For Louisiana Legislative Auditor  
December 31, 2010

There were no findings, questioned costs, or management letter comments for the prior year audit for the year ended December 31, 2009.

Corrective Action Plan For Current Year Audit Findings  
Schedule For Louisiana Legislative Auditor  
December 31, 2010

There are no findings, questioned costs, or management letter comments for the current year audit for the year ended December 31, 2010.